



December 15, 1998

DEPARTMENT OF
TAXATION

Rebecca A. Koses, Contracting Officer
Services Acquisition Center
U S General Services Administration
1941 Jefferson Davis Highway
Arlington, VA 22202-4502

Re: Credit Card Purchases

Dear Ms. Koses:

This is in response to your notice of December 10, 1998, concerning the change in the Federal Government credit card program.

As in the past, we have agreed that certain credit cards can be used without payment of Ohio sales and use taxes so long as the charges against these credit cards are *billed directly to and paid directly by the Federal Government*. We feel that the cards must continue to be embossed with "U S GOVT TAX EXEMPT" and the employees' name. Also, the credit card account number must be one that ensures direct billing to and payment by the Federal Government. If the charges against one of the travel cards are billed to and paid by the Federal employee (who later seeks reimbursement), the charges would be subject to Ohio sales or use tax.

We will revise our Information Release to include a reference to the credit card account number codes that qualify as being exempt from Ohio sales or use tax. As soon as the final version of the release is ready for publication, I will send you a copy.

If you have any questions regarding this matter, please feel free to contact me at any time.

Sincerely,

Michael C. Weichmann, Assistant Administrator
Sales and Use Tax Division
Phone: 614-466-4810
FAX: 614-466-4977
<http://www.state.oh.us/tax/>



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